General Review of Quotas, Over-due Financial Obligations to the Fund and the Question of SDR allocations.

The Development Committee (Joint Ministerial Committee) of the Board of Governors of the Bank and the Fund also held its meeting at Washington on April 4, 1989. The Committee discussed issues relating to structural adjustment development prospect in developing industrial countries and the progress on initiatives intended to benefit sub-Saharan countries. It also considered reports on recent developments in international trade, trends in the transfer of resources to developing countries and the status of negotiations for the ninth replenishment of IDA.

The conclusions reached at the meetings of the interim Committee and the Development Committee are set out in the form of Press Communiques, which are enclosed. *[See* Appendix CI. Annexure No. 18].

(b) to (d) There is no proposal under Govt's consideration for seeking a loan from the IMF.

Search operations at the premises of diamond dealers in Bombay by Income Tax Department

447. SHRI JAGESH DESAI:

SHRI RAOOF VALIULLAH:

Will the Minister of FINANCE be pleased to state:

(a) which are the places in Bombay where survey and search operations were recently conducted at the premises of diamond traders and those connected with the diamond industry;

(b) how many complaints for harrassment were received from these people;

(c) what is the outcome of these operations; and

(d) whether it is a fact that the Commissioner of Income Tax apologised for this harrassment and what action is being taken againt those officials who were found to be involved in such incidents of harras-

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) The Income-Tax Department has not conducted any searches recently, at the premises of diamond trader* at Bombay. However, searches were conducted at the premises of five Angadias on the 22nd February, 1989, at Bombay. As a follow-up of these searches on five Angadias, surveys were conducted in Bombay, at the premises of eight diamond dealers. Besides these, surveys were also carried out in February—March, 1989 at the premies of 20 diamond labour contractors.

(b) A few representations have been received from certain associations of the diamond trade.

(c) During the searches, diamonds worth Rs.] 1 crores were found and out of these, diamonds worth Rs. 2.01 crores were seized. Cash of Rs. 1045 lakhs was also seized. The searches and the subsequent 'surveys resulted in admission of unaccounted income exceeding Rs. 1 crore by various persons including Angadias, diamond traders and diamond labour contractors. As a result of the surveys, it was found that certain persons shown as 'Labour Contractors' did not exist at the addresses provided in their bills.

(b) No apology has been tendered by any Commissioner of Income-tax for the alleged harrassment. The question of taking action against any departmental official in this regard, does not arise.

Security belt on Indo-Pak Border

448. SHRI SUBAS MOHANTY: Will the Minister of HOME AFFAIRS be pleased to state the progress made so far in regard to the proposal to create a security belt on the Indo-Pak Border to check the smuggling and unauthorised entry in both the countries?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS ANO THE MINISTER OF STATE IN THE I MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): A proposal in this

regard was being considered in pursuance of a resolution passed by the Rajya Sabha *on* August 13, 1986 under Article 249 of the Constitution enabling Parliament to •make laws in respect of matters enumerated therein Since then a number of developments took place and the Resolution mantioned earlier also expired on 12th August, 1987.

Export of Bales of Cotton

449. SHRl BIR BHADRA PRATAP SINGH:
SHRI BHAGATRAM MANHAR:

Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that Government have decided to allow export of bales of cotton this year;

(b) if so, what are the reasons for such experts; and

(c) whether various cotton associations h;:ve criticised the decision of Government' and if so, what steps are being contemplated to reverse the decision?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM): (a) and (b) Government have decided to allow the export of certain varieties of cotton during the current cotton year, keeping in view their availability and domestic requirements with a view to earn foreign exchange.

(c) Cotton associations have not criticised the decision of the Government. However some representations against export of cotton have been received from the industry. Since only limited quantities of export of surplus varieties have been allowed with the objecive of foreign exchange earnings, no reversal of the decision is necessary.

Funds sanctioned by IDBI *to Orissa*

450. SHRI SUBAS MOHANTY: Will the Minister of FINANCE be leased -to state:

(a) whether there is a wide gap between funis sanctioned by the Industrial Deve- lopment Bank of India to Orissa and actual disbursement made to that state;

(b) if so, the amount sanctioned by the Bank to Orissa during the last three years;

(c) the actual dibursement made out of the sanctioned amount during the above period; and

(d) the steps taken to reduce the gap between funds sanctioned and actual disbursement?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Details of assistance sanctioned and disbursed by the Industrial Development Bank of India (IDBI) to Orissa during the last three years are as set out below:

(Rs. in lakhs)

Period June-July	Amount Sanctioned	Amount Disbursed
1935-85 . .	9768	9055
1986-87 .	10693	9045
1987-88 . .	17978	9667

Disbursements in any particular year are against the assistance sanctioned in the same year as well as in the earlier years. Sanctioned loans are disbursed to assisted unit, in instalments according to the needs indicated by them . and keeping in view the progress in implementation of the project.

(d) Steps have been initiated by IDBI and other all-India term lending institut'ons *to* speed up the disbursement process by standardisation of Loan Documents, introduction of lead institution concept, project finance participation certificate scheme, bridge finance etc.